

DEPARTMENT OF SOCIAL SERVICES

744 P Street, Sacramento, California 95814



March 6, 2003

ALL-COUNTY INFORMATION NOTICE: I-13-03

TO: ALL COUNTY WELFARE DIRECTORS
ALL IHSS PROGRAM MANAGERS
ALL COUNTY WELFARE FISCAL OFFICERS

Reason For This Transmittal

- ☐ State Law Change
- ☐ Federal Law or Regulation Change
- ☐ Court Order or Settlement Agreement
- ☐ Clarification Requested by One or More Counties
- ☒ Initiated by CDSS

**SUBJECT: MAXIMUM ALLOWABLE CONTRACT RATES ESTABLISHED
FOR IN-HOME SUPPORTIVE SERVICES COUNTIES**

REFERENCE: ALL-COUNTY LETTER (ACL) 02-95 DATED DECEMBER 18, 2002

The purpose of this All-County Information Notice (ACIN) is to advise counties that the Legislature has approved State expenditures for the new In-Home Supportive Services (IHSS) Maximum Allowable Contract Rates (MACRs) transmitted to counties by All-County Letter (ACL) 02-95. As indicated by ACL 02-95 the new MACRs are effective July 1, 2002.

The increases to the MACRs establish new maximum hourly rates for IHSS contracts in which the State will share in the cost. The new MACRs do not create new county financial obligations and should not be construed to be a standard or required rate of payment for IHSS contracts. Counties can award IHSS contracts at a rate lower than the MACR rate. The California Department of Social Services (CDSS) Manual of Policies and Procedures (MPP), Section 10-205.6 requires counties to encourage maximum competition among bidders and to ensure the lowest price possible.

Counties that agree to pay a rate higher than their MACR are reminded that they must pay 100 percent of the nonfederal cost for the portion above the MACR, and that contracts must include a provision limiting the cost of service in accordance with Welfare and Institutions Code Section 12303 (a) and CDSS MPP Section 10205.1. Title XIX federal financial participation is available in contract rates, subject to Department of Health Services approval.

Counties should refer to ACL 02-95 for questions regarding the new MACRs, the methodology used to develop them, and the appeal process.

If you have questions or concerns, you may contact your county's Adult Programs Branch Operations and Technical Assistance Analyst at (916) 229-4000.

Sincerely,

***Original Document
Signed By***

DONNA L. MANDELSTAM
Deputy Director
Disability and Adult Programs Division

c: CWDA